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DE RUEHVB #0356/01 0741314
ZNY CCCCC ZZH
P 151314Z MAR 06
FM AMEMBASSY ZAGREB
TO RUEHC/SECSTATE WASHDC PRIORITY 5863
INFO RUEHZG/NATO EU COLLECTIVE PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RHEFDIA/DIA WASHINGTON DC PRIORITY
RUFGNNO/HQ USEUCOM VAIHINGEN GE PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RUEKJCS/JOINT STAFF WASHDC PRIORITY

C O N F I D E N T I A L ZAGREB 000356

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DEPARTMENT FOR EUR/SCE AND EUR/RPM

E.O. 12958: DECL: 03/15/2016
TAGS: NATO PREL MARR HR
SUBJECT: NATO ROADSHOW HIGH-IMPACT VISIT TO ZAGREB

Classified By: Ambassador Ralph Frank, reasons 1.4 (b) & (d)

SUMMARY AND COMMENT

¶1. (C) U.S. Permanent Representative to NATO Ambassador Victoria Nuland and EUR P/DAS Kurt Volker led an interagency team on a high-impact visit to Zagreb March 7. In separate meetings with President Mesic, Prime Minister Sanader, and members of the Sabor (parliament) the delegation urged Croatia to implement defense reform plans aggressively to build the best-possible case for Croatia's NATO membership. Amb. Nuland emphasized that the U.S. is not looking for neutral allies and would expect Croatia to demonstrate its commitment to contribute actively to NATO operations and to secure broad public support for membership. All the delegation's interlocutors acknowledged that Croatia must work hard on defense reforms, boost defense spending, and build a stronger public education campaign to explain the benefits and obligations of NATO membership. Mesic and Sanader both indicated readiness to start exploring the Article 98 issue again, although public opinion and EU sensitivities would need to be managed. They also indicated a readiness to explore changes to the current constitutional requirement that a two-thirds majority of the Sabor approve troop deployments. The delegation visit received wide, largely balanced press coverage.

¶2. (SBU) COMMENT: The delegation visit made a valuable contribution to Post's public diplomacy strategy to educate the wider public on NATO issues. The immediate press coverage of the visit (written primarily by journalists who participated in the opinion-makers lunch) has conveyed in largely accurate terms the message the delegation brought to Croatia. Notwithstanding some hyperbolic headline writing, most articles reported on U.S. support for Croatia's NATO aspirations, and our challenge to the GoC to implement defense reforms, participate in NATO operations, and demonstrate public support for membership. END SUMMARY AND COMMENT.

DELEGATION MEETS DIVERSE GROUPS

¶3. (U) U.S. Permanent Representative to NATO Ambassador Victoria Nuland and EUR P/DAS Kurt Volker led the successful March 7 visit of the U.S. NATO Road Show. Delegation members Scott Schless (Principal Director for Eurasia at OSD), CAPT Paul Jaenichen (Chief of Western Europe and Balkans Division with Joint Chiefs of Staff J-5), COL Michael Anderson (Chief

of Europe Policy Division at EUCOM), and Alejandro Baez (Political Officer at U.S. Mission to NATO) all contributed to the success of the visit.

¶4. (U) The delegation met separately with President Mesic and Prime Minister Sanader. The delegation also met with a group of Sabor (parliament) members including: Mato Arlovic, Deputy Speaker of the Sabor and Davorko Vidovic from the left-center SDP party; Vesna Pusic, Deputy Speaker of the Sabor from the left-center NHS party; Vesna Skare-Ozbolt from the right-center DC party; Pero Kovacevic of the right wing HSP; Damir Kajin of the Istrian regional party IDS; and Milorad Pupovac of the ethnic Serb SDSS party. In addition, Nuland gave exclusive interviews to the main, state-owned TV station (HRT) and to the leading private radio station (Radio 101). Along with the media interviews, the delegation gave a strong push to Post,s PD efforts via participation in an opinion-maker,s lunch and a Q&A session with students at the Political Science Faculty of Zagreb University.

NATO IS CORE GOAL

¶5. (SBU) All interlocutors welcomed the delegation,s message that the U.S. supports Croatia,s NATO aspirations and wants to help Croatia make the best-possible case for membership when the alliance is ready to consider enlargement. President Mesic, PM Sanader, and the Sabor members stressed that NATO membership was a key strategic goal for Croatia. Sanader and Sabor Deputy Speaker Arlovic said this kind of signal was essential for helping the GoC build public support for NATO membership. Sanader said that the GoC was not pushing for any specific formulation, but would hope for a positive signal from the Riga summit. Responding to Sanader, Nuland said that the U.S. would want the Riga Declaration to reaffirm NATO,s open door, note that further enlargement will be considered at the next summit and add a positive line on each NATO aspirant,s progress.

WILL DO MORE TO BUILD PUBLIC SUPPORT

¶6. (SBU) Nuland stressed the need for building strong public support beyond just joining the NATO club. The USG was not looking for neutral allies but for NATO members who support an activist alliance in defense of our common values. President Mesic acknowledged that a broad change in public perceptions of NATO was needed. PM Sanader said that his government needed to do a better job informing the public about NATO and welcomed U.S. support in its efforts. Sanader said the GoC will be leading a wider, more intense public debate in all regions of the country and among all layers of Croatian society. Sanader noted that his Government was intensifying its public outreach effort even though there was full consensus among the Government, President, and Sabor that Croatia would not/not conduct a referendum on NATO entry (but would for EU membership).

¶7. (SBU) All the Sabor members said that they could play a role in educating the public, but were critical of the GoC,s efforts to date. Note: all but Serb member Pupovac are in opposition to the sitting government.

WILL CHANGE CONSTITUTION FOR MORE ACTIVE ROLE

¶8. (SBU) The delegation welcomed Croatia,s contributions in ISAF and urged that Croatia demonstrate its commitment to defend the Alliance,s shared values through increasingly strong participation in NATO missions. President Mesic noted that while numbers of deployments now are not large, Croatia is participating in a growing number of international missions, which he characterized as quite an achievement for a country that used to be on the receiving end of international security assistance.

¶9. (C) Nuland raised with the President and Prime Minister concerns about the current constitutional requirement for a

two-thirds parliamentary majority to authorize overseas troop deployments. She noted that this was a high threshold compared to other NATO members and will create a tough situation when NATO needs to act fast such as in providing humanitarian aid in Pakistan. Mesic responded that some of the formal obstacles could be removed through changes in regulations. He said that the two-thirds requirement was a response to the legacy of the Tudjman era. Now the parliament had more confidence in the President and should be able to restore some authority to him. Sanader said that changing the constitution to remove the two-thirds vote requirement was a goal for his current mandate in office (which runs until fall 2007). He was confident this would happen and was waiting for the right political moment to make the change.

FUNDING DEFENSE REFORMS

¶10. (SBU) The delegation expressed support in all meetings for the GoC's plans for defense reform towards deployability and NATO interoperability of the Croatian Armed Forces. PDAS Volker and Amb. Nuland stressed that Croatia should spend its limited resources well, noting the need for a minimum defense expenditure of two percent of GDP to support defense transformation plans. Deputy Speaker Arlovic said that while it would take time, the Sabor was committed to bringing spending up to two percent. Arlovic expressed the hope that this level could be reached as early as 2008.

¶11. (SBU) President Mesic and PM Sanader said separately that they had agreed to try to supplement defense resources by taking some procurements off budget. They plan to put out for sale or long term lease/concession many of the over 100 excess properties held by the Ministry of Defense. Their plan is to ensure that a minimum of sixty percent of the revenues generated are dedicated to equipment procurement. Nuland praised this idea, noting the need to make sure the money goes to the Defense Ministry, and that the Finance Minister does not offset these new revenues with other spending or cuts in the MoD budget.

ARTICLE 98

¶12. (C) Nuland said that the USG wants to intensify mil-to-mil cooperation in the run-up to presenting Croatia's candidacy in 2008, but some assistance was limited by legal restrictions because Croatia has not signed an Article 98 agreement. President Mesic responded that in the past, it was difficult to explain to the public why Croatia had to extradite its wartime leaders to ICTY but would exclude Americans from the ICC. However, Croatia is now in a position where it has no more citizens to extradite to The Hague. He said that we now can do some preparatory work on this issue. PM Sanader said he was in favor of signing an Article 98 agreement, noting the positive changes in President Mesic's views. Sanader said that further work was needed to gain the support of other political actors in Croatia and that the EU needed to develop a common policy towards Article 98. Nuland responded that several EU candidates (including Romania and Bulgaria) had signed Article 98 agreements with us without any impact on their EU candidacies.

CROATIA IS A GOOD NEIGHBOR

¶13. (SBU) President Mesic and PM Sanader both said that Croatia wanted to be a good neighbor and play a positive role in resolving lingering regional issues. Mesic said that ethnic Serbs who left Croatia during the war were also victims of Slobodan Milosevic regime. They are still Croatian citizens and it is in Croatia's national interest that they return.

¶14. (SBU) PM Sanader said that he insisted at his March 1-2 meeting with his A3 colleagues in Tirana (PMs of Albania and

Macedonia) that they take a clear stand in support of the international efforts to resolve outstanding issues in the region (e.g. Kosovo status and Bosnia and Herzegovina constitutional reform). Sanader said he had launched two regional initiatives) widening the Central European Free Trade Agreement (CEFTA) and having the South East Europe Cooperation Process (SEECP) take on some Stability Pact initiatives) as a way of supporting the more fragile states in the region.

FRANK